# WISCONSIN STATE LEGISLATURE COMMITTEE HEARING RECORDS

# 2005-06

(session year)

# Senate

(Assembly, Senate or Joint)

# Committee on Agriculture and Insurance (SC-AI)

#### File Naming Example:

Record of Comm. Proceedings ... RCP

- 05hr\_AC-Ed\_RCP\_pt01a
- 05hr\_AC-Ed\_RCP\_pt01b
- > 05hr\_AC-Ed\_RCP\_pt02

## Published Documents

> Committee Hearings ... CH (Public Hearing Announcements)

> \*\*

> Committee Reports ... CR

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Executive Sessions ... ES

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Record of Comm. Proceedings ... RCP

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# Information Collected For Or Against Proposal

Appointments ... Appt

> \*\*

Clearinghouse Rules ... CRule

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> <u>Hearing Records</u> ... HR (bills and resolutions)

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Miscellaneous ... Misc

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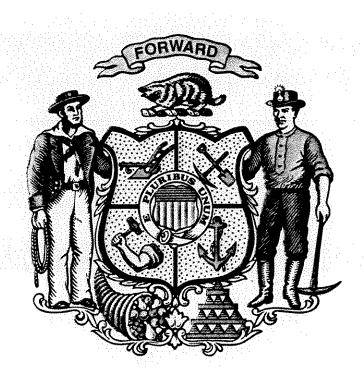
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DATCP Rule

DATCP Rule

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Rack Pricing - unveribable



#### Wisconsin Ethanol Retailing Guide

#### **GENERAL E85 INFORMATION**

www.e85fuel.com

www.datcp.state.wi.us Keyword: alternative fuels Compatible Equipment Database: http://pei.org/e85/

#### **REGULATIONS & PERMITTING**

Department of Commerce-Storage Tank Regulation Sheldon Schall (608) 266-0956 or sschall@commerce.state.wi.us

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DON/ DAYOR

#### **GRANT PROGRAMS**

National Ethanol Vehicles Coalition: on a limited basis, the NEVC may have small grants available to retailers that install or convert equipment to dispense E85. Typically, retailers must agree to sell E85 for a minimum of 24 months to qualify for this assistance. The grants generally cover the cost of professional cleaning and testing of fueling system as well as minor upgrades to alcohol-compatible hoses, steel or plated nozzles and 1-micron dispenser filters. In addition to the financial assistance, the NEVC provides a basic station kit of dispenser decals, pump toppers, nozzle covers and in-store materials for its retailer partners. Please note these grants are conducted on a case-by-case basis and are limited by the availability of NEVC funding. The NEVC reserve the right to decline stations that may not meet technical or operational requirements. For more information go to <a href="https://www.e85fuel.com">www.e85fuel.com</a> or call (877) 485 8595.

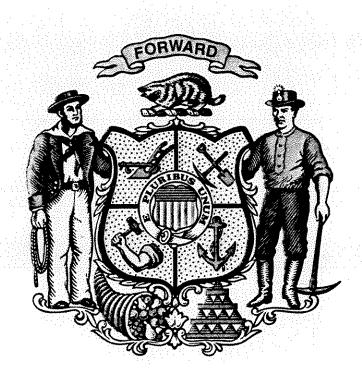
American Lung Association of the Upper Midwest may provide service station grant assistance, although limited at this time. For service station grant opportunities, contact the American Lung Association regional office at (651) 223-9577.

State of Wisconsin Oil Overcharge Program is currently under development and will provide \$5,000 per station for the installation of E85 or biodiesel equipment. Since this program has not been launched retailers are asked to submit their contact information including: first name, last name, address, city, state, zip, phone, fax, email and potential station locations to Maria Redmond at <a href="mailto:maria.redmond@datcp.state.wi.us">maria.redmond@datcp.state.wi.us</a> or (608) 224-4607.

#### TAX INCENTIVES

**Federal Alternative Fuel Vehicle Refueling Property Credit** provides the first ever federal income tax credit for the installation of ethanol and biodiesel fueling systems. The infrastructure development provision was part of the 2005 Energy Policy Act and

provides a 30% federal income tax credit, up to \$30,000 per property, to install alternative fuel dispensing systems. The form for filing can be found at <a href="http://www.irs.gov/pub/irs-pdf/68911.pdf">http://www.irs.gov/pub/irs-pdf/68911.pdf</a>.



#### GOVERNOR'S 2006 OIL OVERCHARGE PLAN: \$862,299.80 Plus Interest

New Stripper XXI Funds: \$152,899.22 plus interest Reallocated Stripper Funds: \$434,679.24 Reallocated Exxon Funds: \$234,622.34 Direct State Restitution: \$40,099.00

Prepared by the Department of Administration Division of Energy

March 29, 2006

#### GOVERNOR'S 2006 OIL OVERCHARGE PLAN

2006 Plan At-A-Glance

The Governor's 2006 Oil Overcharge Plan (Stripper XXI) proposes allocation of \$862,299.80 (\$152,899.22 of new Stripper monies plus all accrued and future accruing interest, \$40,099 of direct state restitution monies, reallocating \$434,679.24 of Stripper monies and reallocating \$234,622.34 of Exxon Monies). This Plan provides the funding for Wisconsin's Promoting Our Energy Resources (POWER) Initiative and is designed to reduce the state's dependence on petroleum based motor fuels, increase the state's use of renewable energy and move the state along the hydrogen highway to the future, while at the same time improving our environment.

The recommended programs, each summarized in the Plan, are shown in the table below. The appendix contains the details on funding sources.

	Recommended Programs	New Stripper Monies	Direct State Restitution Monies	Reallocated Monies Exxon	Reallocated Monies Stripper	Total Oil Overcharge Monies
41	Bio Diesel Infrastructure		•			
1).	(Crusher Facilitity)				\$ 100,000.00	\$ 100,000.00
2)	Hydrogen ICE & Fuel Cell Demonstration	\$ 100,000.00			\$ 100,000.00	\$ 200,000.00
3)	Local Governments Alt. Transportation Fuels	\$ 52,899.22		\$ 234,622.34	\$ 47,478.44	\$ 335,000.00
4)	Renewable Energy		\$ 40,099		\$ 184,901.00	\$ 225,000.00
5)	Energy Program Management *				\$ 2,299.80	\$ 2,299.80
	Total	\$ 152,899.22	\$ 40,099.00	\$ 234,622.34	\$ 434,679.24	\$ 862,299.80
	*Program also receives all	available interest	, ,			

#### PROGRAM SUMMARY

Infrastructure for the Biodiesel Industry - \$100,000: To establish a biodiesel industry in Wisconsin a crusher facility is needed to extract the oil from feedstocks of soybeans, canola, or other seeds. Wisconsin's farmers are already providing the feedstock and can expand this feedstock as necessary. This program provides the seed money to partner with the private sector to take the next step and site and build a crusher plant in southern Wisconsin.

Hydrogen Demonstration Project - \$200,000: Many people consider hydrogen the fuel of the future. This program is intended to move Wisconsin forward toward the hydrogen economy through demonstration projects which also educate its citizens on the use of hydrogen as an environmentally friendly, non petroleum based fuel. This effort includes the following demonstration projects:

- 1) Partnering with Virent Energy Systems in developing and implementing in Wisconsin the first hydrogen vehicle refueling station in the world using an on-site production system to convert biomass to hydrogen. This project is intended to demonstrate Wisconsin's commitment to biofuels and to developing and using advanced technology to be part of the "Upper Midwest Hydrogen Highway".
- 2) Partnering with Virent Energy Systems and Marathon Engine Systems to integrate their strengths into a single power generating unit, which could convert biomass into hydrogen, with the hydrogen used to generate electricity. This project is intended to demonstrate a long lived, cost effective, off-grid power system that is environmentally friendly.

Transportation Biofuels, Infrastructure and Promotion-\$335,000: For this program, biofuels are defined as E-85 (85 percent ethanol and 15 percent conventional gasoline) and B-20 (20 percent biodiesel and 80 percent diesel). This program focuses on working with and through local governments and others to increase the biofuel refueling infrastructure and use of the existing and newly created biofuel infrastructure. This program also works with local units of government to obtain their agreement to purchase E-85 flexible fueled vehicles and to commit to fueling these vehicles on E-85. (All diesel fueled vehicles are capable of using B-20.)

A \$2,000 incentive will be provided to each local government committing to this program, a \$1,000 initial incentive and a \$1,000 final payment two years later. The final payment requires that the terms of the agreement are satisfactorily completed. The agreement would detail the percent of new vehicles purchased by the local government that must be

biofuel capable (E-85), the percent of fuel used by these vehicles that must be biofuel, and the other efforts to promote biofuel use and to assist in the installation of biofuel refueling infrastructure in their jurisdiction. Failure to comply could result in the forfeit of the initial payment. Approximately \$100,000 would be allocated for this effort.

The WDOE and the Department of Agriculture Trade and Consumer Protection (DATCP), along with the local units of government would actively promote biofuel use to the public, who own biofuel capable vehicles. The promotional effort would probably include direct mailings to biofuel owners, radio and newspaper stories, public services announcements, press releases, events involving elected local and state officials and outreach/information to biofuel owners at the point of vehicle purchase and by public service groups. Approximately \$40,000 is allocated for this effort.

To make this program successful, additional biofuel infrastructure will need to be installed. To accomplish this \$175,000 is allocated providing \$5,000 of matching monies for each biofuel refueling facility/ dispenser installed. WDOE anticipates that these biofuel dispensers will primarily be installed at existing service stations to augment their gasoline and diesel refueling capabilities. The local units of government will be involved in helping to select a refueling facility that is convenient for the local government vehicles and for those biofuel vehicles owned by citizens in its jurisdiction. Finally, approximately, \$20,000 will be used by the WDOE and/or DATCP for program delivery activities.

Renewable Energy Program - \$225,000: This program will enhance Wisconsin's efforts to promote and implement renewable energy use, focusing on wind, biomass and hydro.

The wind portion of this program would leverage approximately \$75,000 to cover activities such as certification of small wind turbines, outreach on wind to rural electric cooperatives and wind GIS mapping. These activities will provide tools and information for consumers interested in developing their wind resource.

The biomass program would utilize approximately \$75,000 to develop markets for biomass products and find ways to improve the efficiency of biomass facilities. These efforts would be coordinated with the Department of Natural Resources, the Department of Agriculture, Trade and Consumer Protection, the Midwest Combined Heat and Power Applications Center and the private sector to find ways to more efficiently use Wisconsin's biomass resources.

The hydro program would use approximately \$75,000 to provide matching funds for 10 small hydro dam feasibility studies. Because of

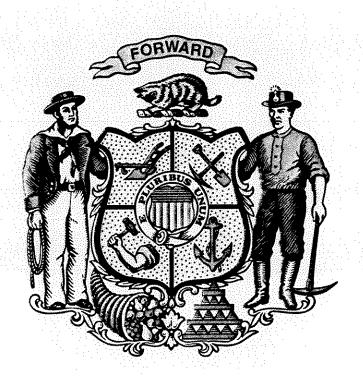
rising electric costs, municipalities are looking to re-establish turbines at their dams to generate electricity. The Division of Energy estimates a feasibility study costs approximately \$15,000, and this program would provide about half, \$7,500, of the necessary funding.

Energy Program Management, \$2,299.80 and Accruing Interest: Past Stripper Oil Overcharge plans (Stripper IV, XV, XVI, XVII, XVIII, XIX and XX) allocated monies (primarily interest and residual monies) to assist the Wisconsin Division of Energy in continuing its mandated oil overcharge management activities and to promote energy efficiency in Wisconsin. This program continues this activity.

Appendix

		GOVERNOR'S		

Program		Available Balance	
Exxon-Reallocated			
Homeowner Shared Savings		75,272.50	
Milwaukee Energy Network	,	48,746.74	
One Stop Shop		110,603.10	· .
Total ExxonReallocated	\$	234,622.34	
Total State Restitution-New	\$	40,099.00	
StripperReallocated			
Stripper 1 Interest Unawarded		7,681,10	
Stripper 1 Interest Unawarded		18,633.32	
Stripper 1 Interest Unawarded		5,610.58	÷
Stripper 7 Sustainable Agriculture		1,471.36	
Stripper 8 Local Gov Alt Fuel		18,634.25	
Stripper 8 Rental Energy Rehab		23,212.20	
Stripper 11 New Lighting Tech		13.65	
Stripper 11 Local Gov Alt Fuel		44,167.66	
Stripper 12 Local Fleet Grant Program		36,366.68	
Stripper 12 Small Engine Initiative		8,631.52	
Stripper 12 Deobligated Funds	-	6.45	
Stripper 14 Alt Fuels Fleet Grant		133,466.32	
Stripper 14 Energy Education Fund	-	5,104.80	
Stripper 14 Autotrain Feasibility		10,400.00	
Stripper 16 Ethanol from Papermill Sludge	AM.	70,000.00	
Stripper 16 Ethanol from Cheese Whey	41 - 41	9,975.49	
Stripper 17 Homeowner Shared Savings		2,269.00	
Stripper 17 One Stop Shop		752.66	
Stripper 18 Renewable Energy Assistance Program (REAP)		34,025.81	
Stripper 18 IES Energy Education Partnership		2,479.59	
Stripper 20 Ethanol Refueling Infrastructure		48.78	
Stripper 20 Agriculture-Energy Pilot Program		1,728.02	•
Total Stripper Reallocated	. \$	434,679.24	
Total StripperNew	\$	152,899.22	
Grand Total	\$	862,299.80	



# Last Word

#### **R. James Woolsey**

Vice President, Booz Allen Hamilton Former Director of Central Intelligence



R. James Woolsey, Vice President, Booz Allen Hamilton

Director of Central Intelligence 1993-95.

"Current account
deficits heavily driven
by oil imports create
risks of major world
economic disruption
- the U.S. borrows
approximately
\$1 billion per working
day to import oil and,
for many developing
nations, oil-driven debt
is a major factor in their
continued poverty."

Dependence on conventional petroleum and its products for transportation fuel creates special dangers today for at least seven major reasons.

Our current transportation infrastructure is committed to oil and oil-compatible products, increasing the difficulty of substituting other fuels to respond to oil disruptions or price increases. Second, the turbulent Greater Middle East will continue to be the low-cost and dominant petroleum producer for the foreseeable future, with around two-thirds of the world's proven reserves of conventional oil. Third, the petroleum infrastructure is highly vulnerable to terrorism; radical Islamists have explicitly called for worldwide attacks on it and have carried some out. Fourth, embargoes or coups will be quite plausible in this region for many years.

Fifth, wealth transfers from oil are used to fund terrorism and its ideological support, with the Saudis spending approximately \$70-100 billion over the last 30 years to spread the Wahhabi doctrine throughout the world - a doctrine fanatically hostile, inter alia, to Shi'ite and Suffi Muslims, Jews, Christians, women, modernity, and democracy. Oil proceeds fuel Iran's nuclear weapons program.

Sixth, current account deficits heavily driven by oil imports create risks of major world economic disruption - the U.S. borrows approximately \$1 billion per working day to import oil and, for many developing nations, oil-driven debt is a major factor in their continued poverty. Finally, global-warming gas emissions from the use of oil and other fossil fuels create the risk of climate change, with potentially devastating consequences.

This all suggests that government policies with respect to vehicular transportation should:

1) encourage the commercialization of alternative transportation fuels that can be available soon, are compatible with existing infrastructure, and can be

derived from waste or otherwise produced cheaply; and 2) promote fuel-efficient vehicles that are likewise compatible with the existing infrastructure. (Automotive hydrogen fuel cells meet neither of these tests.)

Corn (and sugar cane)-derived ethanol has given us a start. Some six million vehicles in the U.S. are capable of using ethanol in mixtures of up to 85 percent ethanol and 15 percent gasoline (E85). As Brazil has shown (where three-quarters of new cars are such Flexible Fuel Vehicles or "FFVs") the cost of incorporating the required new type of fuel-line material in new vehicles is trivial. Ethanol may be shipped in tank cars, and mixing it with gasoline is a simple matter.

What is new is that genetic engineering of biocatalysts has made possible the production of ethanol from the hemicellulose and cellulose that constitute the substantial majority of most plant material. The genetically-engineered material is in the biocatalyst only; there is no need for genetically modified plants.

Biomass, or cellulosic, ethanol is now being produced from a pilot facility in Canada at a cost of around \$1.30 per gallon. The National Commission on Energy Policy (NCEP) estimated in 2004 that this cost will drop by half or more over the next two decades. The most common feedstocks will likely be agricultural wastes or natural grasses such as switchgrass, which is now often planted on soil bank land to replenish the soil's fertility.

Large amounts of land would then not have to be removed from food production to substantially increase ethanol production. The NCEP estimated that, if fleet mileage in the U.S. rises over the next twenty years to 40 mpg, then as switchgrass yields improve modestly to around 10 tons per acre, it would take only 30 million acres of land (the amount in the soil bank) to produce sufficient cellulosic ethanol to fuel half the U.S. passenger fleet.

"The NCEP estimated that, if fleet mileage in the U.S. rises over the next twenty years to 40 mpg, then as switchgrass yields improve modestly to around 10 tons per acre, it would take only 30 million acres of land (the amount in the soil bank) to produce sufficient cellulosic ethanol to fuel half the U.S. passenger fleet."

Opponents of ethanol have badly distorted its energy requirements. According to an authoritative study published in Science on January 26 of this year (Allen et al), production and use of corn ethanol reduces petroleum use by 95 percent compared with gasoline, although the substantial amounts of other fossil fuel needed in the process - e.g. to produce fertilizer - means that corn ethanol reduces greenhouse gas emissions only moderately, by about 13 percent. Cellulosic ethanol, on the other hand, requires much less energy input of any kind. And according to the NCEP, if residues are properly utilized, the latter can reduce greenhouse gas emissions greater than 100 percent when compared to gasoline.

Other renewable fuels show promise as well - although the NCEP stated that most current biodiesels "produced from rapeseed, soybean, and other vegetable oils" are "unlikely to become economic on a large scale" and could "cause problems when used in blends higher than 20 percent in older diesel engines", the Commission outlined the potential of a current thermal process that produces renewable diesel without these disadvantages, from "animal offal, agricultural residues, municipal solid waste, sewage, and old tires."

There are further promising technologies, including the use of coal and non-conventional petroleum sources if carbon sequestration

can be made effective and affordable, and the construction of vehicles from light-weight but very crash-resistant materials, as Formula 1 racing cars are today, thereby improving mileage. But one of particular promise is the plug-in hybrid. These latter have larger batteries than current hybrids and draw inexpensive power from the electricity grid at night; they then use an allelectric mode for short trips before they move to operate in their ordinary hybrid mode. This gives them substantially improved mileage. Since such hybrids have fuel tanks, they do not have the disadvantage of all-electric cars that cannot be recharged if their batteries run down away from electric power.

The dangers from oil dependence require us both to be able to reduce our demand and to increase the supply of alternative fuels. If we move forward on the above tracks the reduction in our oil dependence could be stunning. If a 50-mpg hybrid on the road today were an FFV and were to operate on 85 percent cellulosic ethanol, it would be getting over two hundred miles per gallon of petroleum-derived fuel. If it were a plug-in hybrid, it could more than double that (petroleum) mileage.

Economic, geopolitical, and environmental objectives would be well-served by moving promptly in these directions. Most importantly, we would be substantially more secure.



## VOGELBUSCH USA THE BIOPROCESS COMPANY

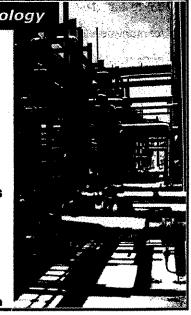
#### TECHNOLOGY

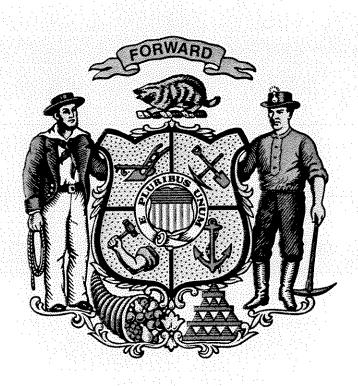
- **FUEL ALCOHOL**
- INDUSTRIAL ALCOHOL
- **ORGANIC ACIDS**
- YEAST
- **MOLE SIEVE UNITS**

#### **SERVICES**

- DESIGN PACKAGES
- STARTUP & TRAINING
- STUDIES & ESTIMATES
- **EQUIPMENT SUPPLY**
- PLANT EXPANSIONS

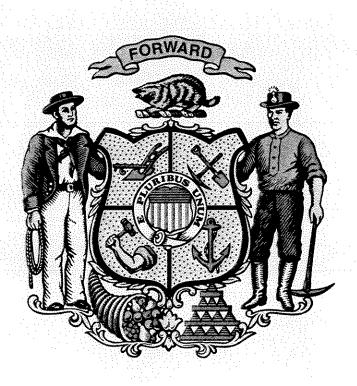
10810 Old Katy Rd, Suite 107 • Houston, TX 77043 (713) 461-7374 • (713) 461-7377 fax e-mail: office@vbusa.com · website: www.vogelbusch.com





# Wisconsin E85 Stations

	THE PROPERTY OF THE PROPERTY O					Approximation of the second se
#	Station Name	Address	Oit	Zip	Phone	Status
	Eau Claire Travel Stop	2232 Otter Rd.	Altoona	54720	(715) 830-1129	Open
7	Belmont Quick Stop, LLC.	355 Highland Street	Belmont	53510	(608) 553-5521	Open we were made the post of
d)	Renew E85, LLC	W2018 State Road 21	Berlin	54923		Open
4		337 East Park Avenue	Chippewa Falls	54729	(715) 723-1701	Coming Soon!
ς,	Cenex Ampride	203 West Cottage Grove Rd.	Cottage Grove	53527		Open
9	Mega Express	5511 Hwy 93	Eau Claire	54701	(715) 836-8710	Coming Soon!
Ŀ	Mega Pick 'n Save	2615 N Clairemont Ave.	Eau Claire	54701	(715) 836-6342	Open
∞	Kwik Trip	3721 E College Ave	Grand Chute	54915	(920) 993-9089	Open
6	Kwik Trip	1411 E. Sumner St.	Hartford	53027	(262) 673-7130	Open
10	Goeman's Rapid Mart	5720 E. Highway 60	Hartford	53027	(262) 673-6079	Open
	Kwik Trip	261 East Main Street	Hortonville	54944	(920) 779-6151	Coming Soon!
12	Renew E85, LLC	2481 Lineville Rd.	Howard	54313	(920) 216-1614	Open
13	Mobil	1215 Milton Ave.	Janesville	53545	(608) 754-4730	Open
<b>4</b>	Kwik Trip	3359 Milton Ave.	Janesville	53545	(608) 758-8629	Coming Soon!
15	Frontier FS Coop	222 E Puemer St	Jefferson	53549	(920) 674-7000	Open
16	n Fleet	201 S. Dickinson	Madison	53702	(608) 266-8757	No Public Access
<u></u>	Stop-N-Go	6202 Schroeder Road	Madison	53711	(608) 274-3377	Open
18	Stop-N-Go	5445 University Ave.	Madison	53705	(608) 238-0200	Open
10	U-Pump	2801 University Ave	Madison	53705	(608) 238-1311	Open
20	Angeli's Fuel Express	2301 Roosevelt Road	Marinette	54143	(906) 863-5575	Open
21	The Store second the mean management of the Store second s	1605 W. McMillian	Marshfield	54449	(715) 345-5066	Coming Soon!
22	Citgo	2426 N. Farwell Ave.	Milwaukee	53211	(414) 347-1764	Open
23	Citgo	425 E. Capitol Dr.	Milwaukee	53212	(414) 961-2425	Open
24	Marathon	4137 W. Fond Du Lac Ave.	Milwaukee	53216	(414) 447-9082	Open
25	Marathon	10501 Brown Deer Rd	Milwaukee	53224	(414) 586-0851	Open
56	Walker's Point Plaza	605 S. 1st Street	Milwaukee	53204	(414) 254-8417	Coming Soon!
27	State of Wisconsin – Transportation	1150 N. Alois Street	Milwaukee	53218	(414) 774-5917	No Public Access
78	Badger State Ethanol/Smart Station	1637 4th Ave. W	Monroe	53566	(608) 329-3900	Open
29	Kwik Trip	229 Oak Forest Drive	Onalaska	54768	(608) 783-6061	Open
30	Renew E85, LLC	5724 Green Valley Court	Oshkosh	54904	(608) 216-1614	Open
31	Stanley Travel Stop/Shell	600 South Broadway Street	Stanley	54768	(715) 644-3511	Open
32	Shell Travel Mart	124 W. McCoy Blvd.	Tomah	54660	(608) 372-2635	Ореп
33	Renew E85, LLC	137 Gateway Drive	Waupun	53936	(608) 216-1614	Open
34	R-Store #34	2601 N. 20th Ave.	Wausau	54401	(715) 845-7272	Coming Soon!
35	Kwik Trip	3030 Plover Road	Wisconsin Rapids	54494	(715) 421-0387	Coming Soon!



# Can you use



# in YOUR vehicle?

## Check to see if your vehicle is one of the following:

#### Ford Motor Company

Selected 2006 5.4L F150 Pickups

Selected 2006 5.4L Crown Victoria sedans

Selected 2000-06 3.3L Taurus sedans

Selected 2002-05 4.0L Explorers

Selected 2004-05 4.0L Explorer Sport Tracs

Selected 2000-05 3.0L Taurus wagons

Selected 1999-03 3.0L Ranger trucks

Selected 1995-99 3.0L Taurus sedans

#### **DaimlerChrysler**

Selected 2006 4.7L Dodge Durangos

Selected 2005-6 Caravan & Grand Caravan SE

Selected 2004-06 4.7L Dodge Ram 1500 trucks

Selected 2003-06 2.7L Dodge Stratus sedans

Selected 2003-06 2.7L Chrysler Sebring sedans

Selected 2003-06 3.3L Caravan Cargo Vans

All 1998-2003 3.3L Caravan minivans

All 1998-2003 3.3L Voyager minivans

All 1998-2003 3.3L Town & Country minivans

#### Isuzu

All 2000-02 2.2L Hombre trucks

#### Lincoln

Selected 2006 5 4L Town Car sedans

#### **General Motors**

Selected 2006 3.5L Impala sedans

Selected 2006 3.5L Monte Carlo sedans

Selected 2005-06 5.3L Avalanche SUVs

Selected 2002-06 5.3L Suburbans, Tahoes,

Yukons, Yukon XLs

Selected 2002-06 5.3L Sierra & Silverado trucks

All 2000-02 2.2L Chevy S-10 trucks

All 2000-02 2.2L GMC Sonoma trucks

#### Mazda

Selected 1999-02 3.0L B3000 trucks

#### Mercedes

All 2003-05 3.2L 2WD C320 Series All 2005 2.6L 2WD C240 Series

#### Mercury

Selected 2006 5.4L Grand Marquis Selected 2002-05 4.0L Mountaineers Selected 2001 & 2003-05 3.0L Sable sedans

#### Nissan

Selected 2005 5.6L Titan Trucks



Yukon & Yukon XL

Avalanche

Z

Look inside your vehicle's fuel door for a decal indicating "E85" or "Ethanol Fuel" may be used.

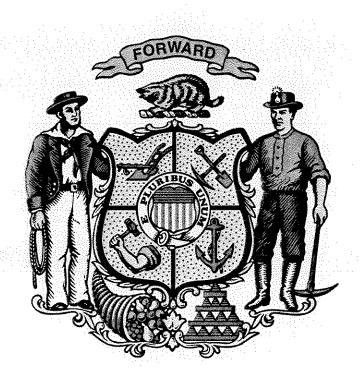


#### Match the numbers on your vehicle identification number to those below:

For	d Motor Company*	Daim	lerChrysler*
Vehicle	Character 8	Vehicle	Character 8
Taurus	2	Chrysler Sebring	Ţ
Mercury Sable	2	Chrysler Town & Country	G or 3
Ranger	V	Dodge Caravan	G or 3
Explorer	K	Dodge Cargo Minivan	3
Mercury Mountaines	er K	Dodge Stratus	T
		Plymouth Voyager	G or 3
(	General Motors*	Dodge Ram 1500	P
Vehicle	Character 8		Mazda*
Chevy S-10 Pickup	5	Vehicle	Character 8
Sierra	Z	B3000 Pickup	V
Silverado	Z	63000 Fickup	V
GMC Sonoma	5		Nissan#
Suburban	Z.	Vehicle	Character 4
Tahoe	Z	Titan	В

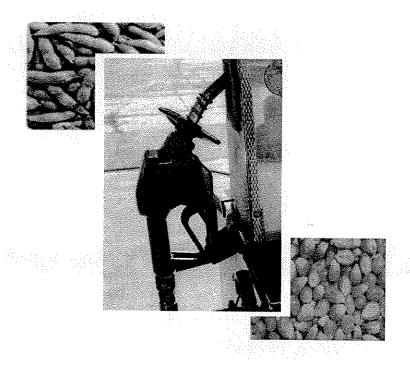
\*The above list is best information available as of 7/1/05 Please consult your manual before using any new fuel

For more: CleanAirChoice.org or (800) LUNG-US



# WISCONSIN BIOFUELS AND ALTERNATIVE FUEL USE REPORT

**April 2006 Annual Report** 



Department of Administration Stephen Bablitch, Secretary

#### INTRODUCTION

As required by s. 16.045 (5) Wis. Stats. (Attachment 1), the Department of Administration (DOA) is submitting this *Wisconsin Biofuels and Alternative Fuel Use Report*.

Since the passage of s. 16.045 (5), in 1994, state government has increased its purchases of gasoline\* blended with ethanol from approximately 235,000 gallons to 1,409,672 gallons in 2006. In 2006, almost 96 percent of the gasoline purchased by the state (including reformulated gasoline using ethanol as the oxygenate) contains a 10 percent blend of ethanol. This is a new record. Previously, the peak year for state purchases of gasoline containing a 10 percent blend of ethanol was 1997 when 91.5 percent of the gasoline purchased by the state contained ethanol.

State government and other fleet operators also purchased minor amounts of propane, compressed natural gas and ethanol (for use as an E-85 fuel) to fuel their alternative fueled vehicles. For the state, ethanol use in gasohol and reformulated gasoline (RFG) has increased from 13.3 million gallons in 1994 to approximately 123 million gallons in 2005 (preliminary estimate).

#### STATE FLEET GASOHOL ACQUISITION AND DISTRIBUTION

S. 16.045 (5) Wis. Stats., enacted in April 1994, required state agencies, to the extent feasible, to purchase and use gasohol or alternative fuels in the state fleet.

In 2006 of the 1,473,572 gallons of gasoline contracted for by the state, 1,253,972 gallons (85.1 percent) were for gasohol. Also, in southeastern Wisconsin, as required by federal law, the state contracted for 155,700 gallons of reformulated gasoline (10.6 percent) which contained ethanol as the oxygenate. This brings the percentage of gasoline, which contains ethanol, contracted for by the State of Wisconsin in 2006 to 95.7 percent, which is a new record.

<sup>\*</sup> In this report, gasoline refers to leaded, unleaded, reformulated and gasohol. Gasohol refers to a blend of 90 percent conventional (leaded and unleaded but not reformulated) gasoline with 10 percent ethanol.

State gasoline usage by fuel type is shown below.

GASOLINE DELIVERIES CONTRACTED FOR								
BY THE STATE OF WISCONSIN, 1994-2006								
Year	Gasohol	Unleaded	Regular	RFG*	Total	% With		
	(Gallons)	(Gallons)	(Gallons)	(Gallons)	(Gallons)	Ethanol		
1994	235,000	NA	NA	NA	NA	NA		
1995	1,236,015	155,700	30,030	108,000	1,529,745	87.9%		
1996	1,371,100	139,800	7,050	108,500	1,626,450	91.0%		
1997	1,477,034	144,400	5,600	128,500	1,755,534	91.5%		
1998	1,343,050	167,150	5,300	138,000	1,653,500	89.6%		
1999	1,246,100	198,990	4,400	136,500	1,585,990	87.2%		
2000	1,128,000	182,100	7,900	136,500	1,454,500	86.9%		
2001	1,054,600	210,100	7,900	137,500	1,410,100	84.5%		
2002	1,102,300	269,900	5,100	164,200	1,541,500	82.2%		
2003	1,011,208	270,195	5,800	126,500	1,413,703	80.5%		
2004	951,908	377,865	3,500	145,700	1,478,973	74.2%		
2005	1,261,150	227,600	0	155,700	1,644,450	86.2%		
2006	1,253,972	63,900	0	155,700	1,473,572	95.7%		
* RFG is r	eformulated	gasoline. l	Federal lav	v requires i	ts sale in	·		
southea	ıstern Wisco	nsin. Most	Wisconsin	ı RFG conta	ins ethanol.			

# STATE AGENCY ACTIONS TO ENCOURAGE ALTERNATIVE FUEL USAGE

On March 1, 2006 Governor Doyle issued Executive Order #141 relating to increased utilization of renewable fuels in vehicles owned and operated by the State of Wisconsin (Attachment 2).

The Executive Order requires all state agencies to reduce the use of petroleum-based gasoline in the state's vehicle fleet by 20 percent by 2010 and by 50 percent by 2015, and reduce the use of petroleum-based diesel fuel by those vehicles 10 percent by 2010 and 25 percent by 2015. To do this, vehicles will be filled with ethanol blend gasoline, E-10, E-85, or biodiesel as much as possible.

To help implement the order, the Department of Administration (DOA) will also develop an awareness campaign designed to ensure all flex fuel vehicles in the state's fleet are clearly identified and state employees are aware of where E-85 refueling stations are located.

Governor Doyle also directed DOA and the Department of Agriculture, Trade, and Consumer Protection (DATCP) to look into how the state can attract more E85 pumps, making the use of this fuel even more convenient for state employees and the general public.

DATCP is currently working on devising a plan to efficiently and accurately report information on refueling facilities in the state where alternative fuels are available. The last publication of this information was made available December 2004 and is now outdated. The new publication will be made available to state employees for use when utilizing state vehicles and for their personal use. This information is also provided to the general public. DATCP and DOA aim to publish the next brochure, per the direction of the Executive Order, and anticipate the information will be available by June 30, 2006.

#### STATE WIDE ALTERNATIVE FUEL USE

For 2001, 2002, 2003, 2004 and 2005 the Wisconsin Department of Revenue's (DOR) estimates of the liquid propane gas (LPG), equivalent gallons of compressed natural gas, and the Department of Administration's estimates of the ethanol sold for motor fuel use in Wisconsin are shown in the table below.

WISCONSIN ALTERNATIVE MOTOR FUEL CONSUMPTION (1,000 of Gallons)									
Fuel	2001 Gallons	2002 Gallons	2003 Gallons	2004 Gallons	2005 Gallons	Percent Change 04 to 05			
LPG	4,569	3,963	3,815	3,649	3,010	-17.5%			
CNG	305	260	257	257	208	-19.1%			
Ethanol	85,939	88,224	100,923	102,539	122,955	19.9%			

Sources: LPG & CNG, Department of Revenue: Ethanol, Department of Administration

Prior to 1995, ethanol was primarily used to make gasohol (one part ethanol and nine parts gasoline). However, starting January 1, 1995, the federal government mandated that reformulated gasoline (RFG) be sold in six counties in Southeastern Wisconsin (Kenosha, Milwaukee, Ozaukee, Racine, Washington and Waukesha). Reformulated gasoline requires an oxygenate which can be supplied by methyl tertiary butyl ether (MTBE), ethyl tertiary butyl ether (ETBE) or ethanol.

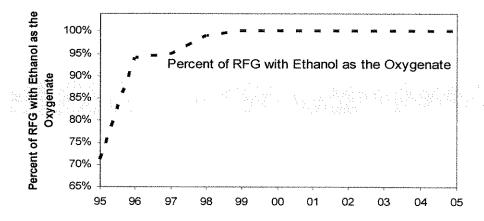
MTBE contains no ethanol. ETBE contains approximately 5.4 percent ethanol. In 1995, ethanol based RFG contained 10 percent ethanol in the winter and 7.4 percent ethanol in the summer (May 1 through September 15). However, starting in 1996, ethanol based RFG could contain 10 percent ethanol throughout the entire year.

In 1996, in Wisconsin, the RFG ethanol blend was 10 percent for all marketers through July. However, for economic reasons in August and September some of the RFG ethanol blend marketed in Wisconsin was reduced to 7.7 percent. From October through December, the ethanol blend for *most* RFG marketed in Wisconsin was reduced to 5.7 percent because of the increased cost of ethanol.

In 1997, in Wisconsin, the ethanol blend in most reformulated gasoline continued to be 5.7 percent from January through April. In May 1997, the ethanol blend in most reformulated gasoline sold in Wisconsin increased to 10 percent and has remained at 10 percent.

In 1995, 1996, 1997 and 1998, ethanol supplied the oxygenate for approximately 71 percent, 94 percent, 95 percent and 99 percent, of the reformulated gasoline sold in Wisconsin. Starting in 1999, ethanol has supplied the oxygenate for 100 percent of the reformulated gasoline sold in Wisconsin, refer to the following graph.

# Percent of RFG Sold in Wisconsin with Ethanol as the Oxygenate, 1995-2005

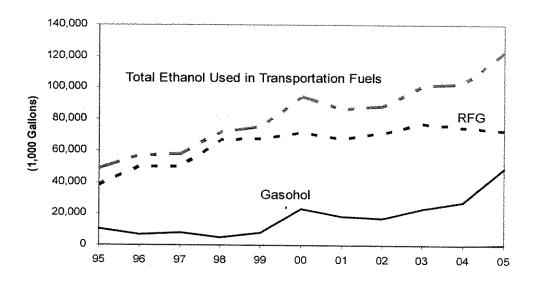


Ethanol is also used in producing ETBE which can be used as an oxygenate in producing RFG. From January 1995 through April 1995, between 22 to 27 million gallons of RFG oxygenated with ETBE were shipped into Wisconsin. In May 1995, Wisconsin use of ETBE was discontinued and the RFG market share shifted to ethanol blends. This shift away from selling reformulated gasoline made with ETBE (or MBTE) in Wisconsin occurred because of the adverse publicity and consumer reaction to ether based reformulated gasoline in Wisconsin.

In 2005, DOA estimates that the amount of ethanol used in making RFG for sale in Wisconsin was approximately 73.1 million gallons. In addition, approximately 49.2 million gallons of ethanol were blended

with gasoline for sale as gasohol, with approximately 0.7 million gallons of ethanol used in E-85 fuel. This brings total ethanol used as a motor fuel to approximately 123 million gallons in 2005. This compares with 102.5 million gallons used in 2004. The following graph shows how the amount of ethanol used in RFG and gasohol has changed over time. The total includes a small amount of ethanol used in producing E-85.

#### Wisconsin's Ethanol Use by Fuel Type, 1995-2005



Known E-85 users in Wisconsin Include State Government, U.S General Services Administrations (GSA) and U.S Postal Service. DOA's 2005 purchase of E-85 fuel totaled 11,424 gallons. The E-85 fuel purchased by DOA can also be used to fuel E-85 vehicles operated by the Departments of Natural Resources (DNR), Transportation (DOT) and GSA.

By the end of April 2006 Wisconsin will have a total of 29 public and private E85 refueling stations as compared to 10 at the same time last year. DOA has two E-85 refueling sites, which are located in Madison and Milwaukee. UW-Milwaukee also has an E85 refueling station located on Kenilworth Avenue near the University of Wisconsin Milwaukee. In addition, Wisconsin has 25 E-85 public refueling locations, which DOT, DOA, UW-Milwaukee, UW Eau Claire and GSA use (Attachment 3). As of April 2006, 3 stations were temporarily closed, due to equipment and pricing issues. The estimated statewide consumption of E-85 at the private stations is approximately 786,754 gallons in 2005. This is over a 7-fold increase from 2004 due to an increase in E85 stations, as well as an increase in volume reports from stations.

In February 2005, the University of Wisconsin-Madison began using a B20 blend of 80% ultra-low sulfur diesel and a 20% soybean-based biodiesel blend of fuel in their diesel fleet. In 2005, UW-Madison consumed 48,657 gallons of B20. In 2006, the Environmental Protection Agency will require the use of ultra low diesel fuel by state and federal fleets. The University of Wisconsin-Madison has been proactive in complying with the requirements ahead of schedule. UW-Milwaukee is also another user of biodiesel fuel. In 2005, 2,933 gallons of a B20 blend was consumed by UW-Milwaukee.

This model year, state government anticipates acquiring 46 E85 flexible fuel passenger vehicles. No CNG or LPG vehicles will be purchased this year. The GSA anticipates purchasing 140 Model Year (MY) 2006 E-85 vehicles. This is almost five times more than GSA purchased during the MY 2005. Additionally the GSA has also decided to add 20 new MY 2006 hybrid vehicles for use in Wisconsin. The GSA anticipates this will allow it to maintain its Wisconsin alternative fuel fleets at 678 vehicles.

There has been an improvement by the fleet managers in reporting of type, quantity and use of fleet vehicles. As a result of more consistent reporting we are able to give more accurate numbers on the current status of the alternative fuel fleet in the chart below. A breakdown of the alternative fuel fleet vehicles according to the state agency operating the vehicle is available in Attachment 4.

State of Wisconsin Fleet Summary (as of March 23, 2006)

Fuel Type	Sum
Unleaded	3,913
Diesel	731
Ethanol (E-85) Flexible Fuel	1,660
Compressed Natural Gas (CNG)	111
Propane (LPG)	10
Hybrid Electric	4
TOTAL	6,429

The total number of E-85 vehicles currently operated by state government is 1,660, compared to 1,189 last year. The State of Wisconsin now operates 111 CNG vehicles (55 dedicated and 56 bi-fuel). The number of LPG vehicles was decreased by 1, and there are now 10

LPG vehicles (4 dedicated and 6 bi-fuel) in the state. Bi-fuel CNG and LPG vehicles also run on gasoline.

In 2004, s. 16.045 (5) was amended to include the requirement that information on the use of electric hybrids in Wisconsin be included in this report. Currently, the State of Wisconsin has 4 hybrid vehicles available for state employee use.

UW-Milwaukee's fleet of 83 vehicles includes 70 alternative fueled vehicles. The mix of alternative fueled vehicles consists of 44 CNG vehicles (27 dedicated and 17 bi-fuel), 20 ethanol (E85 FFV) vehicles and 6 diesel vehicles that use biodiesel. UW-Milwaukee plans to convert the remaining 13 vehicles in its fleet to alternative fuels when acceptable replacement models exist. To improve ease of refueling its CNG fleet, UW-Milwaukee installed a CNG refueling station.

In 2005, the Department of Transportation began providing DOA with a breakdown of the vehicles registered in Wisconsin by fuel type. This information is useful in providing a detailed look at the composition of all the vehicles registered in Wisconsin. The information will also give DOA the ability to evaluate the current market and evaluate ways to target these vehicles and increase the consumption of alternative fuels in the state. The information provided below is as of December 31, 2005.

Vehicles Registered in Wisconsin by Fuel Type

Fuel Type	Sum
Unleaded	4,676,900
Diesel	146,406
Ethanol (E-85) Flexible Fuel	109,848
Compressed Natural Gas (CNG)	117
Propane (LPG)	115
Hybrid Electric	5,862
Other *	432,552
TOTAL	5,371,800

<sup>\*</sup>Fuel type left blank, coded as exempt or as a miscellaneous fuel type.

Attachment 5 provides additional information on state actions to encourage the use of alternative fueled vehicles in Wisconsin.

Committee members with questions are encouraged to contact Kimberly Walker, Administrator, Division of Energy (608) 261-6357.

# Wis. Stat. 16.045 Gasohol, alternative fuels, and hybrid-electric

#### **vehicles.** (1) In this section:

- (a) "Agency" means an office, department, independent agency, institution of higher education, association, society or other body in state government created or authorized to be created by the constitution or any law, which is entitled to expend moneys appropriated by law, including the legislature and the courts, but not including an authority created in ch. 231, 232, 233, 234, 235, or 237.
- (b) "Alternative fuel" means any of the following fuels the use of which the department of natural resources finds would improve air quality as compared to the use of gasoline or petroleum-based diesel fuel:
- 1. Bio-diesel fuel.
- 2. Methanol.
- 3. Ethanol.
- 4. Natural gas.
- 5. Propane.
- 6. Hydrogen.
- 7. Coal-derived liquid.
- 8. Electricity.

8m. Solar energy.

- 9. Fuel derived from biological material.
- 10. Any other fuel except gasohol that the department of natural resources finds to be composed substantially of material other than petroleum, the use of which would yield substantial environmental

benefits.

- (c) "Bio-diesel fuel" means fuel derived from soybean oil with glycerine extracted from the oil, either in pure form or mixed in any combination with petroleum-based diesel fuel.
- (d) "Gasohol" means any motor fuel containing at least 10% alcohol the use of which the department of natural resources finds would improve air quality as compared to the use of gasoline or petroleum-based diesel fuel.
- (e) "Hybrid-electric vehicle" means a vehicle that has a chemically fueled internal combustion engine which is capable of operating on gasoline, one or more alternative fuels, or diesel fuel, or by means of a gas turbine, and is also equipped with an electric motor and an energy storage device.
- (2) The department shall, whenever feasible, require agencies

to store no motor fuel except gasohol or alternative fuel in facilities maintained by the agencies for the storage of fuel for and the refueling of state-owned or state-leased vehicles. This subsection does not authorize construction or operation of such facilities.

(3) The department shall, by the most economical means feasible, place a copy of the current list of gasohol and alternative fuel refueling facilities received from the department of agriculture, trade and consumer protection under s. 100.265 in each state-leased motor vehicle that is stored on state property for more than 7 days and in each state-owned motor vehicle. The department shall also make reasonable efforts to inform state officers and employees whose responsibilities make them likely to be using motor vehicles in connection with state business of the existence and contents of the list maintained under s. 100.265 and of any revisions thereto. The department may distribute the list or information

relating to the list with salary payments or expense reimbursements

to state officers and employees.

(4) The department shall require all state employees to utilize hybrid-electric vehicles or vehicles that operate on gasohol or alternative fuel for all state-owned or state-leased motor vehicles whenever such utilization is feasible. However, the department shall not lease or purchase any hybrid-electric vehicle, or authorize

the lease or purchase of any hybrid-electric vehicle, unless the manufacturer certifies to the department that final assembly of the vehicle occurred in the United States.

(5) The department shall encourage distribution of gasohol and alternative fuels and usage of hybrid-electric vehicles or vehicles that operate on gasohol or alternative fuels by officers and employees who use personal motor vehicles on state business and by residents of this state generally. The department shall report to the appropriate standing committees under s. 13.172 (3) concerning distribution of gasohol and alternative fuels and usage of hybrid-electric vehicles and vehicles that operate on gasohol or alternative fuels in this state, no later than April 30 of each year.

**History:** 1993 a. 351; 1995 a. 27; 1997 a. 73; 2001 a. 16; 2003 a. 311.

#### Relating to Increased Utilization of Renewable Fuels in Vehicles Owned and Operated by the State of Wisconsin

**WHEREAS,** the United States is now dependent on foreign oil imports, thereby posing a serious threat to the energy security of Wisconsin and our nation; and

**WHEREAS,** the major oil companies have dramatically increased the price of a tank of gas this year, driving up the cost of operating gasoline fueled vehicles; and

**WHEREAS,** the increased use of agricultural renewable fuels such as ethanol and biodiesel will reduce our dependence on imported oil, will reduce the vulnerability of the State of Wisconsin and Wisconsin's middle class and working families to the pricing vagaries of the major oil companies, and will create high paying and family supporting jobs in Wisconsin; and

**WHEREAS,** there are available in ever increasing volumes cleanerburning, sustainable alternatives to conventional fuels that can be produced domestically; and

**WHEREAS,** the burning of conventional transportation fuels such as gasoline and diesel by motor vehicles contributes to air pollution, health problems and increased carbon emissions that have been linked to global climate change; and

**WHEREAS,** there are numerous other important economic development benefits resulting from the use of renewable fuels, including but not limited to strengthening our agricultural and forestry sectors, improving net farm income, improving our rural economies, and creating new renewable fuels industry related jobs; and

**WHEREAS,** there are currently at least 25 public, government and private renewable fuel refueling facilities in Wisconsin; and

**WHEREAS,** transportation fuel costs represent a substantial operating expense for state government and Wisconsin taxpayers; and

**WHEREAS,** Wisconsin state government should "lead by example" in using renewable fuels to the maximum extent feasible so as to encourage individuals, businesses and other levels of government to do the same;

**NOW, THEREFORE, I, JIM DOYLE,** Governor of the State of Wisconsin, by virtue of the authority vested in me by the Constitution and Laws of the State of Wisconsin, do hereby:

- 1. Direct the Department of Administration to require, through its fleet management policy, that all state agencies reduce the use of petroleum-based gasoline in state-owned vehicles by twenty percent (20%) by 2010 and by fifty percent (50%) by 2015, and reduce the use of petroleum-based diesel fuel by those vehicles ten percent (10%) by 2010 and twenty five percent (25%) by 2015; and
- 2. Direct the Department of Administration to develop an awareness plan designed to facilitate usage of renewable fuels in the State's flex fuel vehicle fleet. This program shall ensure:
  - 1. All flex fuel vehicles in the State's fleet shall be identifiable; and
  - 2. All state employees driving flex fuel vehicles shall be made aware of the renewable fuel refueling stations in the location of their destination; and
  - 3. All state employees shall strive to use renewable fuels when operating flex fuel and diesel powered vehicles in the fleet, whenever practical and cost effective; and
- 3. Direct the Secretaries of the Department of Administration and the Department of Agricultural, Trade and Consumer Protection to actively pursue the establishment of additional renewable fuel refueling facilities at public retail outlets.

**IN TESTIMONY WHEREOF,** I have hereunto set my hand and caused the Great Seal of the State of Wisconsin to be affixed. Done at the Capitol in the City of Madison this first day of March, in the year two thousand six.

JIM DOYLE Governor

By the Governor:

DOUGLAS LA FOLLETTE Secretary of State

#### WISCONSIN



Drivers are encouraged to contact any station they plan to visit to ensure availability, verify location and check on hours of operation

Eau Claire Travel Stop 2232 Otter Rd.

Altoona, WI 54720 (715) 830-1129

Belmont Quick Stop, LLC.

355 Highland Street Belmont, WI 53510 (608) 553-5521

Renew E85, LLC

W2018 State Road 21 Berlin, WI 54923 (920) 216-1614

Cenex Ampride

203 West Cottage Grove Rd., Box 277 Cottage Grove, WI 53527 (608) 251-9010

Mega Pick 'n Save

2615 N Clairemont Ave. Eau Claire, WI 54701 (715) 836-6342

Mega Express

(COMING SOON!) 5511 HWY 93 Eau Claire, WI 54701 (715) 836-8710 x1149

Kwik Trip

3721 E College Ave Grand Chute, WI 54915 (608) 793-6433

Kwik Trip

1411 E. Sumner St. Hartford, WI 53027 (262) 673-7130

Rapid Mart

5720 E. Highway 60 Hartford, WI 53027 (920) 216-1614

Renew E85, LLC

2481 Lineville Rd. Howard, WI 54313 (920) 216-1614

Stop-N-Go

6202 Schroeder Rd. Madison, WI 53711 (608) 274-3377

Stop-N-Go

5445 University Ave. Madison, WI 53705 (608) 238-0200 Angeli's Fuel Express

2301 Roosevelt Road Marinette, WI 54143 (906) 863-5575

The Store (COMING SOON!)

1605 W. McMillian Marshfield, WI 54449 (715) 345-5066

Citgo

2426 N. Farwell Ave. Milwaukee, WI 53211 (414) 347-1764 \*Temporarily unavialable

Citgo

425 E. Capitol Dr. Milwaukee, WI 53212 (414) 961-2425

Marathon

4137 W. Fond Du Lac Ave. Milwaukee, WI 53216 (414) 447-9082 \*Temporarily unavialable

Walker's Point Plaza (COMING SOON!)

605 S. 1st Street Milwaukee, WI (414) 254-8417

Mobil

1215 Milton Ave. Janesville, WI 53545 (608) 754-4730

Marathon

10501 Brown Deer Rd. Milwaukee, WI 53224 (414) 586-0851 \*Temporarily unavialable

Badger State Ethanol

Smart Station 1637 4th Ave. W Monroe, WI 53566 (608) 329-3900

Kwik Trip

229 Oak Forest Drive Onalaska, WI 54768 (608) 783-6061

Renew E85, LLC

5724 Green Valley Court Intersection of US 41 & WI 6 Oshkosh, WI 54904 (920) 216-1614 Stanley Travel Stop/Shell

600 South Broadway Street Stanley, WI 54768 (715) 644-3511

Shell Travel Mart

124 W. McCoy Blvd. Tomah, WI 54660 (608) 372-263

Renew E85, LLC

137 Gateway Drive Waupan, WI 53936 (920) 216-1614

Kwik Trip (COMING SOON!)

3359 Milton Ave. (262) 673-7130

COMING SOON!)

337 East Park Avenue Chippewa Falls, WI 54729 (715) 723-1701

Kwik Trip (COMING SOON!)

3030 Plover Road Wisconsin Rapids, WI 54494 (608) 793-6433

Kwik Trip (COMING SOON!)

261 East Main Street Hortonville, WI 54944 (608) 793-6433

#### STATE OF WISCONSIN 2006 ALTERNATIVE FUEL VEHICLES

Department	Number and Vehicle Type
Administration	765 Ethanol (E-85) Flexible Fuel Vehicles
	28 CNG Bi-Fuel Vehicles
	39 CNG Dedicated
	6 LPG Bi-Fuel Vehicles
	1 LPG Dedicated
	3 Hybrid Vehicles
Corrections	113 Ethanol (E-85) Flexible Fuel Vehicles
Health and Family Services	25 Ethanol (E-85) Flexible Fuel Vehicles
Natural Resources	148 Ethanol (E-85) Flexible Fuel Vehicles
Transportation	307 Ethanol (E-85) Flexible Fuel Vehicles
	3 LPG Dedicated
Veterans Affairs	14 Ethanol (E-85) Flexible Fuel Vehicle

UW Campus	Number and Vehicle Type
Colleges (Total for 13 two year campuses)	9 Ethanol (E-85) Flexible Fuel Vehicles
Eau Claire	10 Ethanol (E-85) Flexible Fuel Vehicles
Green Bay	10 Ethanol (E-85) Flexible Fuel Vehicles
LaCrosse	12 Ethanol (E-85) Flexible Fuel Vehicles
Oshkosh	19 Ethanol (E-85) Flexible Fuel Vehicles
Madison	158 Ethanol (E-85) Flexible Fuel Vehicles
	1 Hybrid Vehicles
Milwuakee	20 Ethanol (E-85) Flexible Fuel Vehicles
49 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	27 CNG Bi-Fuel Vehicles
	17 CNG Dedicated
Parkside	7 Ethanol (E-85) Flexible Fuel Vehicles
Platteville	11 Ethanol (E-85) Flexible Fuel Vehicles
River Falls	15 Ethanol (E-85) Flexible Fuel Vehicles
Steven's Point	5 Ethanol (E-85) Flexible Fuel Vehicles
Stout	9 Ethanol (E-85) Flexible Fuel Vehicles
Superior	2 Ethanol (E-85) Flexible Fuel Vehicles
Whitewater	1 Ethanol (E-85) Flexible Fuel Vehicles

#### TOTAL STATE AFVS BY FUEL

Ethanol (E-85) Flexible Fuel Vehicles	1,660
CNG Vehicles	111
LPG Vehicles	10
Hybrid	4
CUMULATIVE TOTAL	1,785

# 2005 Alternative Fuels Related Legislation, Events and Initiatives in the State of Wisconsin

#### Legislation

- I. 2005 Wisconsin Act 43 (Assembly Bill 67. / Senate Bill 39.) School transportation bio-diesel fuel cost assistance. Directs the Department of Pubic Instruction to apply for federal dollars to support biodiesel use by schools districts.
- II. 2005 Wisconsin Act 83 (<u>Assembly Bill 72</u>. / <u>Senate Bill 41</u>.) Definition of bio-diesel fuel and labeling, advertising and promoting of bio-diesel fuels and blends for sale.
- III. <u>Assembly Bill-15</u> / <u>Senate Bill-15</u> Relating to ethanol requirements (a blend of E10) in automotive gasoline.
- IV. <u>Assembly Bill 546./Senate Bill-252.</u> Sales and use tax exemption for fuel efficient hybrid motor vehicles.
- V. <u>Assembly Bill-600</u>. Sales and use tax exemption for motor vehicles that use gasoline and ethanol mixtures as fuel.
- VI. <u>Assembly Bill-753</u>. Relating to hybrid-electric motor vehicle use in Car pool vehicle lanes.
- VII. <u>Assembly Bill-809</u>. Income/franchise tax credit for motor vehicles that use gasoline and ethanol mixtures as fuel. To Rural Affairs and Renewable Energy.
- VIII. <u>Assembly Bill-851</u>. Allows a city, town or village to allow persons to operate a neighborhood electric vehicle on local highways.
- IX. <u>Senate Bill-620</u>. Creates an income and franchise tax credit for motor vehicles that use gasoline and ethanol mixtures as fuel and for fuel efficient hybrid motor vehicles. To Energy, Utilities and Information Technologies.

#### Governor's Initiatives

- I. January 14th 2006 Governor Doyle Announces his administration's Biofuels Initiative with a goal of providing \$2 million in grants for farmers and producers who make use of products produced by their land or animals for energy. As part of this initiative the Administration established a Consortium on Biobased Industry to help develop alternative energy sources, promote conservation and create a new market for farmers. Governor Doyle set the goal that by the year 2010, at least 20 percent of the energy that state government uses will come from renewable sources, and by 2015, at least 10 percent of the energy used by homes and businesses will come from renewable sources.
- II. May 27th, 2005 Governor Doyle issues Executive Order #101 Relating to the Development and Promotion of Biobased Industry to
  - a. Recommend short-term and long-term policy and commercialization strategies for the Governor outlining overall state goals and actions that promote the development and use of

- biobased products and bioenergy in an environmentally sound manner; and
- b. Propose how these goals can best be achieved through federal and state programs, integrated planning and regional cooperation; and
- c. Identify mechanisms that would encourage and support private sector initiatives in biobased product development; and
- c. Advise on policies at the state and federal level that would support development of biobased products and energy and new and expanding markets to support them.

The Biobased Consortium was formed, including representatives from Forward Wisconsin, Virent Energy Systems, Inc., Wisconsin Farmers Union, Wisconsin Farm Bureau Federation, Wisconsin Paper Council, Dairyland Power Cooperative, UW-Madison, Wisconsin Environmental Initiative, Boldt Construction, US Forest Products Lab, Badger State Ethanol, Stora Enso North America, Kraft Foods, University of Wisconsin Biotechnology Center, Bank of Cashton, Sustainable Development Institute and Alliant Energy. The Consortium began charge in June of 2005 and is expected have recommendations to the Governor by May 2006.

III. March 1, 2006 Governor Doyle issued Executive Order #141 Relating to Increased Utilization of Renewable Fuels in Vehicles Owned and Operated by the State of Wisconsin requiring all state agencies to reduce the use of petroleum-based gasoline in the state's vehicle fleet by 20 percent by 2010 and by 50 percent by 2015, and reduce the use of petroleum-based diesel fuel by those vehicles 10 percent by 2010 and 25 percent by 2015. To do this, vehicles will be filled with ethanol blend gasoline, E-10, E-85, or biodiesel as much as possible.

#### **State Agency Initiatives**

- I. Department of Administration State Energy Program Special Projects
  - a. The US Department of Energy awarded the Division of Energy and Utica Energy a grant of \$150,000 to continue to support the development of E85 infrastructure in Wisconsin. With Utica Energy's match included, the total project cost is \$1.25 million.
  - b. The US Department of Energy awarded the Division of Energy and Wisconsin Clean Cities Southeast Area (WCC-SEA) \$20,000 for funding a Clean Cities Coordinator.
- II. Department of Administration Oil Overcharge
  - a. The Department of Administration, Division of Energy is currently working with the Wisconsin Corn Promotion Board (WCPB) to supply funding for the installation of E85 equipment at retail gas stations throughout Wisconsin. The Ethanol Refueling Project has provided \$100,000 (\$77,000 oil overcharge funding, and \$23,000 from WCPB) to establish 15-20 publicly accessible E85 stations

near ethanol plants and one E85 metering system that will be used to blend E85 fuel at a local plant. Awards were made to :

- i. Kwik Trip, awarded \$35,000, installing a minimum of 3 stations
- ii. Utica Energy, awarded \$35,000, installing a minimum of seven stations
- iii. Ace Ethanol, awarded \$20,000, installing 4 stations
- iv. United Wisconsin Grain Producers, awarded \$5,000, installing a E85 metering system at the plant to become a distributor of E85,
- v. Badger State Ethanol, awarded \$5,000, installed one new station
- b. "Renewable Fuels from the Fryer to the Tank". The Department of Administration, Madison Environmental Group and Culver's partnered together to support the advancement of waste vegetable oil research, development and use at Culver's Franchising Inc. locations throughout Wisconsin.

#### **University Initiatives**

I. February 9th, 2005 UW-Madison announces that its diesel-burning fleet of vehicles will be the first in Wisconsin to fill its tanks with a blend of ultra-low sulfur diesel and a soybean-based biodiesel fuel in the campus's effort to improve air quality. The new fuel blend will lead to a 15 percent reduction in particulate matter (soot). It is also anticipated that the new fuel will result in a 13 percent reduction in hydrocarbons, an 8 percent cut in carbon monoxide and a 16 percent decline in emissions of carbon dioxide, the primary gas responsible for global warming.

#### **Alternative Fuels Events**

- I. April 8th, 2005 Green Vehicles Workshop Hosted by Wisconsin Clean Cities Southeast Area and Milwaukee Area Technical College-Milwaukee Campus.
- II. May 23, 2005 Renewable Fuels from the Fryer to the Fuel Tank
  Announcement Announcement of partnership between the
  Department of Administration, Madison Environmental Group and
  Culver's Franchising Inc. to educate and encourage franchise owners
  to utilize their waste vegetable oil in their company vehicles.
- III. July 20th, 2005 Forward Wisconsin: Reducing Diesel Emissions for the Long Haul- Hosted by Wisconsin Clean Cities –Southeast Area and Milwaukee Area Technical College-South Campus and in conjunction with US EPA, US DOE and Wisconsin DNR
- IV. October 12, 2005 Beyond a Billion: Recognizing a Tri-Fuel Alternative Fuel Station in Wisconsin. - Hosted by Wisconsin Clean Cities Southeast Area at the Landmark Services Cottage Grove Cooperative

- recognizing their efforts to provide E85, biodiesel and propane for transportation.
- V. October 13, 2005 Beyond a Billion Grand Opening of a Utica Energy Renew E85 Ethanol Station in Oshkosh - Hosted by Wisconsin Clean Cities Southeast Area and Utica Energy. Offered E85 fuel for 85 cents to flexible fuel vehicle owners.
- VI. October 13, 2005 Beyond a Billion Transit Express Compressed Natural Gas Use in Milwaukee Hosted by Wisconsin Clean Cities Southeast Area and Transit express recognizing their commitment to promote and use compressed natural gas in their shuttle fleet.
- VII. October 24<sup>th</sup>, 2005 E85 grand Opening Event- Announcement of a new E85 station located in Monroe Wisconsin built by Badger State Ethanol
- VIII. November 11, 2005 E85 Grand Opening Event Announcement of a new E85 station located in at the Stanley Travel Stop in Stanley, Wisconsin built by ACE Ethanol.
- IX. December 5<sup>th</sup>, 2005 Groundbreaking Ceremony for Anamax Biodiesel Production Plant Announcement of new biodiesel production Facility in DeForest Wisconsin. Biodiesel plant will be producing 20 million gallons of biodiesel from Soy/Waste Grease and they anticipate production by spring/summer 2006.
- X. December 21<sup>st</sup>, 2005 E85 Grand Opening Event Announcement of a new E85 station located in Grand Chute, Wisconsin built by Kwik Trip.